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M I R A C L E

In 1890, when it admitted Idaho to the Union, Congress understood that two things above all else would shape the future of the new state:

- 1) The land and the vast resources on it
- 2) The children and how fully their potential was realized

For that reason, it granted 3.6 million acres to its newest initiate, the revenues from which would fund nine endowment trusts, most dedicated to nurturing the state's public education system.

The vision of our nation's leaders was simple: the miracle of harvest and regeneration — whether it be timber or crops or precious metals — would help finance the miracle of the human spirit fulfilled.



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Assistant Director

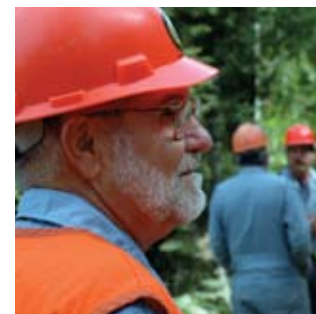
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L e t t e r f r o m G e o r g e B a c o n , D i r e c t o r
I D A H O D E P A R T M E N T O F L A N D S



On behalf of the Idaho Department of Lands, I am proud to present this annual report

for 2007. In fact, that feeling of satisfaction and fulfillment that we call “pride” may be an important measure of success as we look toward the future.

For example, I take pride in the people who are the Department of Lands. Under the guidance and leadership of the State Board of Land Commissioners, we set a new standard for production that is unrivaled in the department’s history. We surpassed our timber sales goal of 212 million board feet, managed a record number of land leases, and brought over \$60,000,000 into the earnings reserve account. The majority of these funds help support the school children of Idaho. I can think of no better investment in Idaho’s future, and that’s a great source of pride.

Beyond that, we also help fund other institutions, including the universities, the veteran’s home, the deaf and blind school, the capitol reconstruction, the state hospitals, and even the state penitentiaries. Just as important, our staff oversees protection of many of Idaho’s natural resources. Through administration of regulatory and assistance programs, we help Idahoans manage forests, abate fire hazards, extract minerals, and protect our lakes and rivers. I’m proud to be associated with folks who help others succeed.

While doing all this work last year, the department was faced with one of the worse wild land fire seasons in Idaho’s history. I can’t express how proud I am of our resource and support professionals who staffed the flaming front, or who picked up the slack to allow others to answer the fire bell. The professionalism, teamwork, and sacrifice they displayed throughout the year were stunning!

To top it all off, department personnel are working on numerous special projects or initiatives to pave the way to the future. Land asset planning, timber harvest studies, leasing processes, property acquisition procedures, information technology tools, accounting procedures, data management, and personnel development proposals are just a few of the issues being examined. I’m proud of the innovation, creativity, and excitement being brought to the table as the department looks to improve our systems and develop additional opportunities.

The employees of the Department of Lands are championing the interests of the endowment beneficiaries and the people of Idaho. Although I am humbled by their accomplishments, it is with great pride that I present to you this annual report of their successes.

Sincerely,

A handwritten signature in dark ink, appearing to read "George Bacon".

The Idaho State Board of LAND COMMISSIONERS

The Idaho State Board of Land Commissioners consists of Idaho's governor, secretary of state, attorney general, superintendent of public instruction, and state controller. They are the stewards of the nearly 2.5 million acres of Idaho's endowment lands and the tens of millions of dollars in revenues generated for the state's designated beneficiaries.

Primary among the fund's beneficiaries are Idaho's elementary and secondary public schools, which receive 95 percent of endowment's annual revenues. Other constitutionally designated beneficiaries are: the Agricultural College Fund (at the University of Idaho), the Charitable Institutions Fund (at Idaho State University, the Industrial Training School, State Hospital North, Idaho veterans homes, and the School for the Deaf and Blind), the Penitentiary Fund, the School of Science Fund (at the University of Idaho), the State Hospital South Fund, the University Fund (at the University of Idaho), and the Capitol Commission.

Because of the board's responsibilities to protect the endowment lands, it now serves as the host agency for the Idaho Board of Scaling Practices, the Clearwater-Potlatch Timber Protective Association, and the Southern Idaho Timber Protective Association.



C. L. "Butch" Otter
Governor of Idaho



Ben Ysursa
Secretary of State



Lawrence Wasden
Attorney General



Donna Jones
State Controller



Tom Luna
Superintendent of Public Instruction



George Bacon
Secretary of the Board



*We work to fund
our beneficiary institutions
to the benefit
of all of Idaho*



The Land Where MIRACLES GROW

As it was deliberating the Idaho Admissions Act in 1889, the United States Congress displayed uncommon wisdom by granting what would become the Union's 43rd member 3,600,000 acres of land for the sole purpose of funding specified beneficiaries, primarily the state's public schools. This mandate was later chiseled into the granite of the Idaho Constitution through Article IX, Section 8, which mandates that the lands will be managed "...in such manner as will secure the maximum long-term financial return to the institution to which [it is] granted." The prescribed income is generated in a number of ways: the sale of land; the sale of timber; leases for grazing, farming, commercial buildings, recreational homesites, and mining; and earnings from invested funds.

The Endowment Fund Investment Board is charged with managing the invested revenues from the endowment lands. Until 1968, it was limited to a "buy-and-hold" investment strategy as dictated by the original legislation that created the fund. Subsequent constitutional amendments approved in 1968 and 1998, enabled the board to take advantage of all the modern investment

tools available to it. As a result, the fund's assets rose dramatically — from \$77 million when the board was created to over \$1 billion today — with a corresponding increase in the financial resources available to the beneficiaries.

On December 20, 2007, the State Board of Land Commissioners approved a new asset management plan based on three prudent principles:

- Maximize the long-term financial return at a prudent level of risk
- Protect future generations' purchasing power
- Provide a relatively stable and predictable payout



P r e s e r v i n g O U R A S S E T S

As noted, much of the Land Board's annual income is derived from the sale of the timber that grows on the endowment lands. While trees are unaffected by fluctuations in the stock market, insects, disease, and fire can have catastrophic effects on our ability to generate revenues. Thus, in our case, a prudent investment strategy includes a team of expert foresters.

Headquartered in Coeur d'Alene, the Forestry and Fire Division consists of three independent bureaus: Forest Management, Forest Assistance, and Fire Management. Together they manage, monitor and protect the lands and forests under the control of the Idaho Department of Lands.

The Forest Management Bureau provides overall statewide policy direction, technical guidance and general oversight of the management of the endowment trust's lands. It is also responsible for monitoring the timber harvest and the accounting for the associated receivables.

The Forestry Assistance Bureau provides technical assistance to the other Department of Land programs and state and federal officials. It also advises and assists private landowners in the responsible management of forest resources and enforces the policies set forth by the Idaho Forest Practices Act, which regulates commercial forest operations within Idaho. It is staffed by specialists in forest management, entomology, pathology, fisheries biology, hydrology, and geotechnical engineering.

The Fire Management Bureau is probably the most visible of the department's divisions. On a day-to-day basis it establishes and implements policies to prevent, prepare for, and fight wildland fires over six million acres of Idaho's public and private forest and rangelands. These responsibilities include regulating the elimination of fire hazards caused by timber harvesting on all lands — state, federal, and private — within Idaho.



Forestry and Fire Bureau Administration

Ron Litz
Assistant Director
Forestry and Fire

Bob Helmer
Chief
Forest Management

Craig Foss
Chief
Forestry Assistance

Brian Shiplett
Chief
Fire Management



Shoshone County

WILDFIRE PROTECTION PLAN

In February 2008, the Shoshone County Wildfire Protection Plan (CWPP) was updated with two new policy documents. The County Wildland Fire Interagency Groups Grant Application enables fire protection agencies to more clearly express their priorities for treating hazardous fuels, firefighting assistance, and other needs related to the National Fire Plan. While submitting the form is not required, those Shoshone County working groups that choose to do so receive priority consideration for competitive grant and assistance funding programs.

The CWPP administration also issued a strategy paper for how its firefighting assistance funds would be used. Among the projects specified were new fire stations in Kellogg and Pinehurst, a new first-out engine, four new Type 6 brush trucks, and 10 base station and mobile radios.

Timber Protective Associations

In the first decade of the 20th century, landowners banded together in the Southern Idaho Timber Protective Agency (SITPA) and the Clearwater-Potlatch Timber Protective Agency (CPTPA) to provide wildfire protection to the woodlands on their properties. Together, they protect more than 1,370,000 acres and enforce Idaho's hazard reduction law within their jurisdictions under an agreement with the IDL.



Clearwater-Potlatch Timber Protective Association

Howard Weeks
Assistant Director

Jim Mallory
President of the
Board of Directors

Ron Litz
Board Member

Randy Eller
Board Member

Don Konkol
Board Member

Ray Coon
Board Member

South Idaho Timber Protective Association

Mark Woods
Chief Warden

Herald Nokes
President of the
Board of Directors

Ron Litz
Board Member

Steve Guernsey
Board Member

Alvin Hall
Board Member

Elt Hansbrouck
Board Member

L i v i n g O f f T H E L A N D

The Lands, Minerals and Range Division consists of two bureaus — Real Estate and Surface and Mineral Resources — which administer six separate programs.

Range and Cropland Program

The Range and Cropland Program provides technical guidance for the management of land leases for agricultural activities, including growing crops and grazing livestock.

At its website, www.idl.idaho.gov/bureau/smr/range_crop/index.htm, visitors will find a number of documents that allow them to check for expiring state leases, review revised rules for grazing and cropland leases, and obtain an application to lease state endowment lands for grazing or crops.



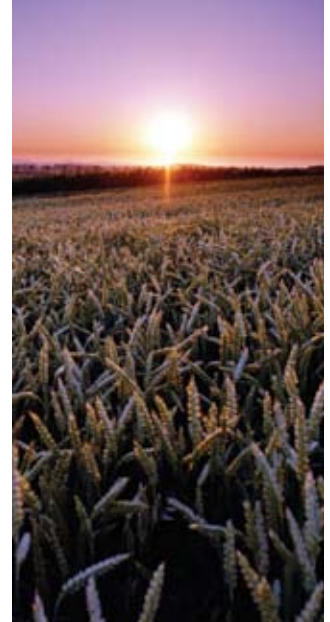
Commercial and Surface Leasing Program

The Commercial and Surface Leasing Program provides technical guidance for the management and commercial development of endowment land, leasing commercial office space and surface communication sites, outfitters and guides leases, state and federal land leases and any other miscellaneous endowment land lease needs.

Visit its website at www.idl.idaho.gov/bureau/smr/csl/csl_index.htm to obtain communication site fee schedules, state land lease applications, and much more.

Navigable Waters

The Navigable Waters provides state and county agencies technical guidance for the management of public trust lands, which are defined as the submerged lands lying below the natural, ordinary high-water line of the state's navigable streams and rivers. Title to these lands is held in trust and is managed for the public good rather than for a specific beneficiary. The Idaho Department of Lands website www.idl.idaho.gov/index.htm includes a link to the Navigable Waters pages.



Lands, Minerals, and Range Administration

Bob Brammer
Assistant Director

Perry Whittaker
Chief
Bureau of Real Estate

Mike Murphy
Chief
Bureau of Surface and
Mineral Resources





Cottage Site Program

Originally, residential leasing was identified as the highest and best use of the valuable

lakefront property on Priest Lake and Payette Lake. Over time, other locations have also been developed for this purpose. Generally, residential lots owned by the state are leased to generate revenue for the endowed beneficiaries. Lessees are allowed to place improvements on the land, such as houses and cabins, with the prior approval of the state.

The Idaho Department of Lands website www.idl.idaho.gov/index.htm includes a link to the Cottage Site Leasing page.

Minerals Program

The Minerals Program manages the state endowment lands mineral estate, which covers approximately three million acres. The program also manages the Idaho public trust lands mineral estate. The public trust lands consist of the beds of Idaho's navigable rivers and lakes. In addition, the program

administers several regulatory programs covering dredge and placer mining, surface mining and abandoned mine lands.

The program's website, www.idl.idaho.gov/bureau/MineralsBC.htm, includes complete discussions of mining techniques and best practices, the best locations for exploring, Idaho gemstones, and more.

Oil and Gas Commission

The State Board of Land Commissioners acts as the Oil and Gas Commission and regulates the exploration, drilling and production of oil and gas resources. Wellhead activities are monitored to ensure that environmental damage does not occur during drilling and operation states. In one of its most recent actions on October 10, 2007, 24 tracts of land comprising approximately 9,872 acres were offered at auction. All the available tracts were sold. Bonus bids totaled \$231,782.52, and the first year's annual rental income was \$9,872.00.



Lewis Clark Receives \$1,155,000

In October 2007, the Idaho Land Board presented Lewis Clark State College with a check for \$1,155,000 from funds generated from Idaho's endowment lands.



N o r t h e r n a n d S o u t h e r n

O P E R A T I O N S

Northern Operations

Field offices	7
Permanent personnel	79
Seasonal employees	100+
Endowment lands (acres)	523,000 **
Annual timber sales	113*
Leased grazing acres	73,000
Mineral leases	53
Cottage site leases	354
Miscellaneous leases	64
Fire response districts	7
Forest practices notifications	3,175
Waterway encroachment permits	9,300**

Southern Operations

Field offices	7
Permanent personnel	73
Seasonal employees	75+
Endowment lands	1,943,000 **
Annual timber sales	99*
Leased grazing acres	1,637,000 **
Mineral leases	139
Cottage site leases	168
Oil and gas leases	137
Miscellaneous leases	155
Fire response districts	7
Forest practices notifications	569
Waterway encroachment permits	1,000**

* Million Board Feet
 ** Approximately

Administration

Roger Jansson Chief, Northern Operations Coeur d'Alene, Idaho
Mick Schanilec Area Manager Priest Lake Supervisory Area Coolin, Idaho
Scott Bacon Area Manager Kootenai Valley Supervisory Area Bonners Ferry, Idaho
Ed Robinson Area Manager Pend Oreille Supervisory Area Sandpoint, Idaho

Administration

Kurt Houston Chief, Southern Operations Boise, Idaho
Bob McKnight Area Manager Clearwater Supervisory Area Orofino, Idaho
Jim Clapperton Area Manager Maggie Creek Supervisory Area Kamiah, Idaho
Thom Hawkins Area Manager Craigmont Supervisory Area Craigmont, Idaho

Mike Denney Area Manager
Mica Supervisory Area
Coeur d'Alene, Idaho

Bob Burke Area Manager
Cataldo Supervisory Area
Kingston, Idaho

Ken Ockten Area Manager
St. Joe Supervisory Area
St. Maries, Idaho

Sam Charles Area Manager
Ponderosa Supervisory Area
Deary, Idaho

Sheldon Keafer Area Manager
Payette Lakes Supervisory Area
McCall, Idaho

Steve Douglas Area Manager
Southwest Supervisory Area
Boise, Idaho

Tim Duffner Area Manager
South Central Supervisory Area
Jerome, Idaho

Pat Brown Area Manager
Eastern Supervisory Area
Idaho Falls, Idaho

B o a r d o f S c a l i n g P R A C T I C E S

The State Board of Scaling Practices enforces the state's prescribed log scaling (measurement) standards. It also administers log brand registrations and the disposition of prize (abandoned) logs.

Appointed by the governor, board members represent industry, logging, and private landowner interests. An executive director, headquartered in the Idaho Department of Lands' Coeur d'Alene office, carries out the board's directives. Funding for the board is derived from assessment fees levied on the sale of forest products harvested within the state and from licensing and registration fees.

The composition of the membership of the Scaling Board changed during FY2007.

Current active board members are:

George B. Bacon, chairman; Jack Buell, vice-chairman; H. Larry Stewart, secretary; Robert E. Boeh; and Doug Westfall. Ernie Bauer remains as executive director.







Idaho Department of Lands SUPPORT SERVICES



Invisible to most but vital to the smooth operation of the entire department — including the

Commission — the dedicated people in the support services of the Idaho Department of Lands perform legal, fiscal management, information systems, and personnel functions from their offices in the department's headquarters in downtown Boise.

Legal Oversight

Legal counsel is provided to the department by the Idaho attorney general. Two deputy attorneys general are assigned specifically to the Idaho Department of Lands and have their offices in the IDL's headquarters. They provide legal advice to the department, initiate legal action on the department's behalf, and, when necessary, defend the department in court. Supplementary assistance may be provided by additional deputies in the attorney general's office if case loads, other duties, or the specific nature of the action require it.

Fiscal Management

Under the supervision of the financial officer, the Fiscal Section provides oversight and policy direction for all accounting functions within the department, including purchasing, accounts payable and receivable, and internal auditing.

Human Resources

The department's human resource manager works closely with the state's division of human resources to deliver all personnel responsibilities, including payroll, recruiting, and record keeping.

Management Information Systems

The IDL's Management Information Systems Bureau (MISB) is responsible for the information technology and geographic information systems that are critical to the department's operation.

The MISB manages the department's entire network infrastructure, including hardware, software, remote backup and storage, and help desk duties. It also maintains the property ownership

databases and records that are vital to the department as it formulates management strategies for the lands under its control.

Finally, it administers the department's website, which provides access to land records, information on state facilities, noxious weed data, and digital maps of the entire state.



Support Services Administration

Patrick Hodges
Division
Administrator

Lisa Johnson
Financial Officer

Dan Raiha
IT Resource
Manager

Chris Clay
GIS/Cartography
Manager



F i n a n c i a l
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For Fiscal Year 2007

July 1, 2006 to June 30, 2007

**A c c o u n t a n t s '
S T A T E M E N T**

We have examined and prepared the data presented in this annual report in accordance with generally accepted accounting standards and affirm it is true and accurate and reflects the activity of the Idaho Department of Lands and the State Board of Land Commissioners during fiscal year 2007.

Signed,

A handwritten signature in cursive script that reads "Lisa Johnson".

Lisa Johnson

Financial Officer

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	Revenue	Expenditures
General Fund	466,228.75	4,820,699.94
Misc. Pass Through Funds	435,441.71	6,306.59
Dedicated Funds		
Forest Resources	474,406.32	455,662.74
Lands, Range, and Minerals	149,135.17	25,494.25
Fire Management	4,103,354.85	2,640,486.12
Board of Scaling	184,710.88	177,827.24
Support Services	17,110.95	832,047.49
Indirect Cost Recovery	404,991.67	251,939.65
Community Forestry Trust	15,557.70	12,822.62
Land Bank	144,752.75	0.00
Total Dedicated Funds	\$ 5,494,020.29	\$ 4,396,280.11
Fire Suppression	6,078,579.67	13,721,159.80
Federal Funds	5,810,938.23	5,708,449.92
Endowment Funds		
Earnings Reserve	70,927,552.03	18,230,844.10
Permanent	5,568,777.84	0.00
Total Endowment Funds	\$ 76,496,329.84	\$ 18,230,844.10
Revenue and Expenditures	\$ 94,781,538.52	\$ 46,883,740.46

I n c o m e S t a t e m e n t

E N D O W M E N T T R U S T L A N D S

	Public School	Ag College	Charitable Institutions	Normal School	Penitentiary
Direct Program Revenue					
Forest Land	38,243,045	746,058	2,974,247	2,776,946	3,137,006
Grazing Land	1,438,168	18,433	28,361	26,153	6,837
Agriculture Land	308,254	-	242	-	11,268
Commercial Real Estate	795,914	2,329	20,251	1,143,366	1,627
Residential Real Estate	2,414,886	-	-	726,647	-
Recreation	-	-	-	-	-
Oil and Gas	28,024	1,974	80	3,857	137
Minerals	2,986,460	160	14,969	110,859	1,123
Total Revenue	\$ 46,214,751	\$ 768,953	\$ 3,038,149	\$ 4,787,829	\$ 3,157,999
Direct Program Expense					
Forest Land	9,432,995	176,892	779,705	542,264	318,406
Grazing Land	1,090,534	13,631	21,899	20,147	5,056
Agriculture Land	49,610	-	40	-	1,769
Commercial Real Estate	125,841	278	1,621	553,369	132
Residential Real Estate	53,255	-	-	8,439	-
Recreation	-	-	-	-	-
Oil and Gas	-	-	-	-	-
Minerals	249,477	13	1,273	9,408	92
Total Program Expense	\$ 11,001,712	\$ 190,815	\$ 804,538	\$ 1,133,628	\$ 325,454
Program Margin	\$ 35,213,039	\$ 578,139	\$ 2,233,611	\$ 3,654,201	\$ 2,832,545
Less: Managerial Overhead					
Forest Land	1,562,507	30,044	126,829	88,415	54,079
Grazing Land	280,705	3,598	5,536	5,105	1,334
Agriculture Land	18,816	-	15	-	688
Commercial Real Estate	106,024	99	10,576	39,094	39
Residential Real Estate	27,578	-	-	4,302	-
Recreation	-	-	-	-	-
Oil and Gas	-	-	-	-	-
Minerals	52,653	3	264	1,955	20
Total Managerial Overhead	\$ 2,048,283	\$ 33,744	\$ 143,219	\$ 138,870	\$ 56,160
Net Income by Program					
Forest Land	27,247,543	539,121	2,067,713	2,146,266	2,764,520
Grazing Land	66,929	1,204	926	902	446
Agriculture Land	239,829	-	188	-	8,811
Commercial Real Estate	564,049	1,952	8,054	550,904	1,457
Residential Real Estate	2,334,053	-	-	713,906	-
Recreation	-	-	-	-	-
Oil and Gas	28,024	1,974	80	3,857	137
Minerals	2,684,330	144	13,431	99,497	1,012
Total Net Income	\$ 33,164,756	\$ 544,395	\$ 2,090,392	\$ 3,515,331	\$ 2,776,385
Net Income/Total Revenue	72%	71%	69%	73%	88%

For the year
ENDED JUNE 30, 2007

	School of Science	State Hospital South	University	Capitol	Total
Direct Program Revenue					
Forest Land	6,463,791	2,219,148	5,481,198	2,252,505	64,293,943
Grazing Land	43,791	6,343	21,125	140	1,589,351
Agriculture Land	-	-	1,690		321,454
Commercial Real Estate	3,242	516,944	61,511	28,241	2,573,425
Residential Real Estate	-	1,302,716			4,444,249
Recreation	-	-	-	-	-
Oil and Gas	1,859	1,715	3,083	-	40,730
Minerals	107,270	10,920	586	830	3,233,177
Total Revenue	\$ 6,619,953	\$ 4,057,786	\$ 5,569,193	\$ 2,281,717	\$ 76,496,330
Direct Program Expense					
Forest Land	742,948	323,460	544,699	83,392	12,944,763
Grazing Land	32,385	4,691	16,268	64	1,204,675
Agriculture Land	-	-	276	-	51,694
Commercial Real Estate	258	239,106	10,490	423	931,518
Residential Real Estate	-	15,625	-	-	77,319
Recreation	-	-	-	-	-
Oil and Gas	-	-	-	-	-
Minerals	8,739	890	50	31	269,973
Total Program Expense	784,330	583,772	571,783	83,911	15,479,943
Program Margin	\$ 5,835,623	\$ 3,474,014	\$ 4,997,410	\$ 2,197,806	\$ 61,016,387
Less: Managerial Overhead					
Forest Land	126,185	54,938	88,845	14,164	2,146,006
Grazing Land	8,547	1,238	4,123	17	310,203
Agriculture Land	-	-	103	-	19,621
Commercial Real Estate	92	11,940	9,885	151	177,899
Residential Real Estate	-	8,297	-	-	40,177
Recreation	-	-	-	-	-
Oil and Gas					
Minerals	1,891	193	10	7	56,995
Total Managerial Overhead	\$ 136,716	\$ 76,605	\$ 102,966	\$ 14,338	\$ 2,750,902
Net Income by Program					
Forest Land	5,594,658	1,840,750	4,847,654	2,154,949	49,203,175
Grazing Land	2,859	414	734	59	74,473
Agriculture Land	-	-	1,311	-	250,139
Commercial Real Estate	2,892	265,897	41,136	27,667	1,464,007
Residential Real Estate	-	1,278,795	-	-	4,326,753
Recreation	-	-	-	-	-
Oil and Gas	1,859	1,715	3,083	-	40,730
Minerals	96,639	9,838	526	792	2,906,209
Total Net Income	\$ 5,698,907	\$ 3,397,409	\$ 4,894,444	\$ 2,183,467	\$ 58,265,486
Net Income/Total Revenue	86%	84%	88%	96%	76%

F o r e s t

M A N A G E M E N T

Timber Sales

Average Sale Prices	FY 2006	FY 2007
Sawlogs	\$ 297.21/MBF	\$ 291.44/MBF
Cedar Poles	\$ 4.22/LF	\$ 31.63/LF

Timber Harvest

Area	Sawlogs*	Cedar Poles**	Cedar Products*	Pulp*
Priest Lake	14,339	162,650	179	3,263
Pend Oreille Lake	10,481	94,065	42	856
Kootenai Valley	5,354	19,755	7	253
Mica	3,724	26,315	7	44
St. Joe	25,803	136,045	1,034	1,174
Cataldo	4,903	-	4	243
Clearwater	30,603	200,995	1,059	3,848
Ponderosa	20,684	265,775	463	3,973
Maggie Creek	16,128	9,835	227	5,609
Craig Mountain	7,872	-	-	1,248
Payette Lakes	35,324	-	-	2,121
Southwest	9,108	-	-	35
South Central	19	-	-	-
Eastern Idaho	5,065	-	-	-
Total	189,407	915,435	3,022	22,667

Total harvest income for FY 2007 was \$63,358,177.66. At the end of FY 2007, the Department held timber sale contracts with a remaining estimated volume to be harvested of 344,354 MBF valued at \$64,489,860. Compared to a year earlier, this is a decrease of 3,290 MBF in volume and a decrease of \$18,460,618 in value. Money from harvest is deposited into the earnings reserve fund.

*Thousand Board Feet
 ** Lineal Feet

Forestry

ASSISTANCE

Landowner & Community Assistance Forest Stewardship Program (includes Forest Legacy)

- 1,325 forest landowner requested assists
- 414 forest landowner participants at
- 19 stewardship workshops
- 214 participants at one forest landowner conference
- 47 forest landowner cost-share assistance projects
- 63 new Landowner Forest Stewardship plans (LFSP) produced; 15 LFSP revised
- 99 reinspected Landowner Forest Stewardship plans
- 1,643 acres of conservation easement purchased through Forest Legacy funding

Forest Health Protection

- 4 pest detection/evaluation surveys covering 6 million acres
- 43 identification and control training sessions with 4,123 participants
- 748 responses to requests for forest health protection information
- Partner with the USFS to treat 1,788 acres of private lands in Custer and Lemhi counties and 1,362 acres of state endowment lands for various forest health problems

Community & Urban Forestry (includes conservation education)

- \$426,665 of local matching support generated through federal and state funding
- 70 Tree Cities USA, a seven-fold increase in 11 years; with Idaho Department of Transportation doubled grant assistance for Community Transportation Enhancement Program

- Partner with 9 Resource Conservation and Development councils to assist 94 communities
- Planned, prepared or participated in 23 workshops (planting, pruning, tree inventory, chainsaw safety, and other topics) and 2 large green-industry conferences and a wide variety of community events
- 77 Idaho cities (combined population of 769,990 people) have managed or developed forestry programs

Forest Practices Act (FPA)

FPA Administration

- 2,500 inspections of forest practice operations; 95% rate of compliance
- 7 Logger Education to Advance Professionalism (LEAP) training sessions with 290 participants
- 5 sessions were LEAP updates

Cumulative Watershed Effects

The Cumulative Watershed Effects (CWE) analysis process was again put up for bid in 2007.

Terragraphics Environmental Engineering, Inc. was awarded the contract and is currently conducting 24 watershed assessments in the St. Joe and Clearwater river basins. Watersheds scheduled for assessment in 2007 have been previously assessed using the CWE process, and Total Maximum Daily Loads implementation plans have been developed.

Results of the 2007 CWE assessments will be compared to previous assessments and used to monitor progress toward achieving CWE objectives.



Fuels for Schools.

Idaho's second showcase Fuels for Schools project held its grant opening at the Kellogg Junior High School in August 2007.

The Kellogg biomass heating system heats the city's middle school and administration building.

Coupled with other energy improvements, the system is expected to reduce fuel costs by \$3.3 million over 20 years. A \$381,000 FS grant provided by IDL helped cover the cost of the \$1.4 million biomass heating system.



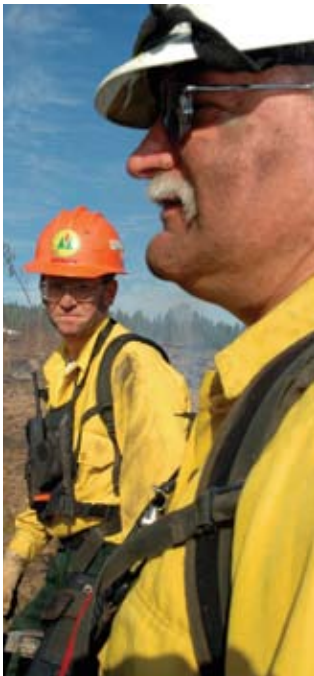
Fire Season IN REVIEW

While the number of fires occurring during the 2006 fire season was 112 percent of the 24-year average, the number of acres burned was only 73 percent of average. On lands for which the Idaho Department of Lands, Clearwater Potlatch Timber Protective Association (CPTPA), and Southern Idaho Timber Protective Association (SITPA) provide wildland fire protection, firefighters responded to 445 fires, which burned 6,473 acres. Credit for keeping the damage to a minimum goes to dedicated fire crews whose quick response kept 96 percent of these fires to less than 10 acres.

Large Fires

In 2006, five fires exceeded 100 acres. The Craig Mountain and Southwest Idaho fire protection districts suppressed two apiece, while the fifth burned in the Maggie Creek Fire Protection District. These five fires totaled 5,691 acres, which is 88% of the total acreage burned during the year.

The cost of suppressing them was \$908,652. Total suppression costs for the year were \$3,146,926.



District	# of Fires	Lightning	Debris	Misc.	Equip. Use	Campfire	Arson	Children	Smoking	Railroad
CPTPA	111	97	2	8		2	1		1	
SITPA	68	48	6	7	2	4			1	
West St. Joe FPD	48	28	10	1	3	2	1	3		
Pend Oreille FPD	34	11	11	5	4	1	1			1
Craig Mountain FPD	31	16	3	1	6	2	3			
Mica FPD	30	6	11	6	1	2	1	2	1	
Southwest Idaho FPD	28	20	2		3	2			1	
Maggie Creek FPD	27	17		8	1	1				
Cataldo FPD	24	14	3	2	1	2		1	1	
Ponderosa FPD	22	17	1	1	2	1				
Kootenai Valley FPD	13	3	3		2	2	2	1		
Priest Lake FPD	9	7				2				
Total	445	284	52	39	25	23	9	7	5	1

The fire season begins in late spring so does not coincide with the fiscal year. As a result, figures on this page may not agree with fiscal-year statistics elsewhere in this report.



E n d o w m e n t L a n d

S T A T U S (i n a c r e s)

Endowment	Primary Forest Land	Sec. Forest Land	Non-forested Land	Total
Public Schools	570,288	183,440	1,338,099	2,091,827
Agricultural Col.	14,406	96	18,962	33,464
Charitable Inst.	60,245	996	16,565	77,806
Normal School	40,547	2,116	17,030	59,693
Penitentiary Inc.	26,023	56	2,825	28,904
School Of Science	58,301	2,582	14,515	75,397
State Hospital South	25,753	768	4,529	31,049
University Of Idaho	41,845	991	13,040	55,876
Capitol	6,465	336	433	7,234
Total	843,872	191,381	1,425,997	2,461,250

B o a r d o f S c a l i n g P r a c t i c e s

Log Scaling Regulation Enforcement Statistics

- 171 registered log scalers
- 6 temporary permits
- 1 apprenticeship certificate
- 135 scale checks performed
- 399 registered log brands
- 1 active prize log sale

Scaling License Examinations

- Two scaling license examinations held
- 22 exams taken, 16 passed, 6 failed

Revenue and Expenses

Total revenue	\$ 184,711
Total expenditures	\$ 177,827
Ending free-fund balance	\$ 150,679

L a n d s , M i n e r a l s , a n d R a n g e S T A T I S T I C S

Range and Cropland Leasing

Grazing Program

- 1,235 grazing leases
- 1,789,013.81 acres under grazing lease
- 261,537.00 animal unit months

Cropland Program

- 76 cropland leases
- 19,790.94 acres under cropland lease

Mineral Leasing

- 200 mineral leases
- 11 geothermal resource leases
- 138 oil and gas leases
- 30 exploration locations
- 1,422 surface mining plans
- 24 placer mining permits

Percentage of revenue generated
from minerals (figures based on total revenue):

- 48% phosphates
- 52% sand, gravel, building stone,
gemstones, and miscellaneous
mineral commodities

Cottage Sites and Navigable Waters

- 522 cottage sites
(Priest Lake 354; Payette Lake 168)
- 162 submerged land leases
(marinas, etc.)
- Approximately 9,000 existing commercial
and noncommercial encroachment permits
(docks, etc.)
- 512 encroachment applications processed

Commercial Property

- 177,111 square feet of commercial
property under management
- 87.5% occupancy
- 137 cabin, recreational,
and outfitter and guide leases
- 65 communication-site leases

Real Estate Transactions

- 40 easements
- 76 temporary permits
- 34 right-of-way easements
acquired to provide access
to endowment lands
- 11 right-of-way easements
acquired to protect public access
to navigable rivers
- 8 disclaimers of interest issued
along navigable rivers
- 2 State/private land exchanges
comprising 84.63 acres for
84.63 acres completed

Supervisory Areas
MAP



Idaho Department of Lands
300 North 6th Street, Suite 103
Boise, Idaho 83720-0050